Vulcan Golf, LLC v. Google Inc. et al Doc. 255

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

VULCAN GOLF, LLC, JOHN B. SANFILIPPO & SON, INC., BLITZ REALTYGROUP, INC., and VINCENT E. "BO" JACKSON, Individually and on Behalf of All Others Similarly Situated,	§	Civil Action No. 07 CV 3371
Lead Plaintiffs,	§	Judge Manning
v.	§	Magistrate Judge Soat Brown
GOOGLE INC., OVERSEE.NET, SEDO LLC, DOTSTER, INC., AKA REVENUEDIRECT.COM, INTERNET REIT, INC. d/b/a IREIT, INC., and JOHN DOES I-X,	§	
Defendants.	§	

PLAINTIFFS' RESPONSE TO GOOGLE INC.'S MOTION TO LIMIT DISCOVERY AND FOR SCHEDULING ORDER

I. INTRODUCTION

Google's cavalier attitude toward this case is unacceptable. Since the inception of this litigation, Google has brazenly violated all four of the Plaintiffs' important property rights and admitted to making about five hundred dollars ($500.00) in the process. To Google, that sum of money is frivolous and it resents being held accountable for actions that barely generate enough dollars to buy a single share of its stock. To the Plaintiffs, however, Google's actions caused losses and embarrassment far beyond the profits Google generated.[1] Simply, Google's use of

[1] As outlined in previous filings with the Court, Plaintiff Bo Jackson's name has been monetized in connection with various pornographic sites. This case is about more than the revenue these Defendants generated from monetizing Mr. Jackson's name. Likewise, the amount of revenue the Defendants

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www.bojacksonporn.com or www.bojacksonnude.com caused damages in excess of the pennies that Google claims it made using those domains. The ACPA, 15 U.S.C. § 1125(d), was enacted to address such illegal conduct and provides for statutory damages.

Plaintiffs never took the position that Google made millions of dollars monetizing domains infringing on just Plaintiffs' individual domains. Rather, Plaintiffs originally brought this case as a Class Action, because Google makes hundreds of millions of dollars from an automated, electronic, and common scheme that intentionally monetizes deceptive domains. Google admits that it monetizes such domains, but just does not think it should be held accountable for its actions. Plaintiffs disagree.

Plaintiffs have not "for all practical purposes, already lost this case" and this case is not "trivial" to Plaintiffs. This case involves important property: Plaintiffs' names, goodwill, and reputations. Google can continue to boast to the Court that this is a "lost case" because it only used Plaintiffs' property to generate small profits. Google's argument, however, is conspicuously a "Red Herring" tactic and tantamount to an admission of use and profit from use of Plaintiffs' property.

To date, discovery has been stayed in this case. Plaintiffs have not received a scintilla of discovery and cannot be asked to now proceed to Summary Judgment without the opportunity to engage in basic discovery. Plaintiffs should be permitted a fair opportunity to conduct discovery on their claims and not forced to respond to numerous Motions for Summary Judgment on an expedited schedule.[2]

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generated with their Deceptive Domain Scheme does not account for the number of potential customers that were lost by the Plaintiffs when an internet user was diverted from their websites.

[2] Defendants Oversee.net, Sedo LLC and Dotster, Inc. filed a Motion to Join Google's Motion to Limit Discovery and For Scheduling Order which was granted on May 27, 2009. These Defendants also indicated a desire to promptly file a Motion for Summary Judgment.

II. ARGUMENT

A. THIS COURT HAS ALREADY REJECTED THE ARGUMENT ADVANCED BY GOOGLE IN RULING ON GOOGLE'S MOTION TO DISMISS THE ACPA CLAIMS.

The basis of Google's Motion is that this case is ripe for a summary adjudication because they have no liability under the ACPA. Google continues to assert "as a matter of law, Google is not a proper Defendant under the ACPA here" and "there will be no factual dispute regarding Google's nonliability." These are the very same arguments Google raised in its 12(b)(6) Motion that were rejected by this Court in its Memorandum and Order of March 20, 2008.

Despite this Court's clear ruling on March 20, 2008, Google now proceeds to mischaracterize that ruling and suggests Plaintiffs' ACPA claims survived Google's Rule 12(b)(6) motion only because Plaintiffs alleged Google "licenses" the domain names at issue from the Parking Company Defendants. In that regard, this Court stated:

> Google contends that the ACPA cannot apply to it because it does not own or operate any of the allegedly infringing domain names. As noted above and by the parties, the ACPA imposes liability on one who "registers, traffics in, or uses" certain types of domain names. 15 U.S.C. § 1125(d). Google then refers to the statute, which states that "[a] person shall be liable for using a domain name under subparagraph (A) only if that person is the domain registrant or that registrant's authorized licensee," and argues that because the Plaintiffs do not allege that Google has registered or is operating any of the allegedly infringing domain names, it cannot be liable under the ACPA. This argument, however, ignores that one can also be liable for, as discussed above, "trafficking in" a domain name. The FAC alleges that Google pays registrants for its use of the purportedly deceptive domain names, provides domain performance reporting, participates in the tasting of domain names, uses semantics technology to analyze the meaning of domain names and select revenue maximizing advertisements and controls and maintains that advertising. Given these allegations, Google's Motion to Dismiss the ACPA count is denied. (March 20, 2008 Order at 12).

Google's mischaracterization of the issues that need to be resolved under the ACPA is illustrative of why its proposal to limit discovery is problematic. Based on the present Motion, it is clear Google intends to assert the only relevant issue on a Motion for Summary Judgment is whether Google "licenses" the domain names. While the licensing of the domains is an issue to be resolved, consistent with this Court's March 20, 2008 Opinion, "trafficking in" domains is an issue that must also be explored. There is no justifiable reason why Plaintiffs should not be permitted to conduct discovery on all issues relevant to an ACPA claim and not merely limited to the matters Google believes are relevant to its Motion for Summary Judgment.

Furthermore, the remaining Defendants have also joined in Google's Motion. Google has throughout this litigation claimed it was "different" than other Defendants. Mutual knowledge of all relevant facts gathered by parties to litigation is essential, and where it is essential to the preparation of one's case either party may, in good faith, compel the other to disclose whatever relevant facts he has in his possession. *Hickman v. Taylor*, 329 U.S. 495, 67 S.Ct. 385, 91 L.Ed. 451 (1947). Plaintiffs suggest it would be fundamentally unfair to require them in a sixty (60) day time frame to respond to four (4) Motions for Summary Judgment and conduct discovery for the first time during that same time.

B. PLAINTIFFS WILL NOT SEEK MASSIVE DISCOVERY IN AN EFFORT TO DRIVE A "TRANSACTION COST" SETTLEMENT.

Google attempts to mislead this Court into believing Plaintiffs are threatening "scorch the earth" discovery in an attempt to drive a transaction cost settlement. First, Plaintiffs concede any discovery propounded by Plaintiffs will have to be more narrowly tailored than the requests that were originally issued when Class Certification and Plaintiffs' RICO claims were pending. Second, Google neglects to inform this Court that Plaintiffs were able to settle their claims against Defendant Ireit, for a modest sum, prior to the unsuccessful mediation with the remaining Defendants. Plaintiffs' willingness to settle with Ireit under such circumstances belies Google's misguided belief Plaintiffs are attempting to induce a transaction cost settlement. Third, Plaintiffs are not adverse to limiting discovery to only the ACPA claims. Plaintiffs simply desire a fair opportunity to conduct discovery on those claims without being limited to the matters Defendants believe are relevant on an expedited basis.

Accordingly, Plaintiffs would suggest one hundred twenty (120) days to complete all ACPA related discovery while discovery on all remaining issues is stayed. Thereafter, any party desiring to file a Motion for Summary Judgment on the ACPA would be required to file such a Motion on a date set by the Court with discovery remaining stayed on all non-ACPA claims pending ruling on the Motions for Summary Judgment. Plaintiffs proposed this scenario to the Defendants on May 27, 2009. *See Exhibit A.* In response, Defendants suggested the parties will be unable to agree as to the scope of ACPA discovery. *See Exhibits B and C.* If the parties are unable to agree as to the scope of ACPA discovery, there will surely be issues as to the scope of permissible discovery necessary to respond to a potentially case dispositive Motion on an expedited basis. The fact that the Defendants acknowledge there are potential issues on ACPA discovery further demonstrates why Plaintiffs should be permitted to undertake discovery on their valid ACPA claim without the expedited time constraints and the limitations Defendants seek to impose. Like all discovery, discovery on the ACPA claim would be limited in scope to those matters that are reasonably calculated to lead to the discovery of admissible evidence to prove such a claim. Plaintiffs respectfully suggest that the fairest resolution of this dispute is to allow all parties the ability to develop their case, and not just the Defendants, by allowing one hundred twenty (120) days to conduct discovery on the ACPA claim with Summary Judgment Motions to be filed thereafter while all other discovery remains stayed.

III. CONCLUSION

For the reasons stated above, Plaintiffs ask that this Honorable Court deny Defendants' Motion to Limit Discovery and for Scheduling Order and alternatively adopt a Scheduling Order consistent with the proposal set forth herein.

FOOTE, MEYERS, MIELKE & FLOWERS, LLC

Dated: May 29, 2009 By: /s/ Robert M. Foote

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CERTIFICATE OF SERVICE

I hereby certify that on May 29, 2009, I electronically filed the foregoing document with the clerk of court for the U. S. District Court, Northern District of Illinois, using the electronic case filing system of the court. The electronic case filing system sent a "Notice of Electronic Filing" to the following attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means:

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